

Washington Works

Implementing the Personnel System Reform Act of 2002

Update as of February 2004

Personnel System Reform Act of 2002

- ★ Three key components:
 - Civil service reform
 - Competitive contracting
 - Collective bargaining
- ★ All components to be implemented by July 2005
- ★ New human resource management system (HRMS) will support changes

Washington Works

- ★ Joint effort to implement changes in a coordinated, well-managed effort
- ★ Three primary agencies:
 - Department of Personnel
 - Office of Financial Management
 - Department of General Administration
- ★ Working closely with state agencies, higher education institutions, state employees, other key stakeholders

Civil Service Reform

Civil Service Reform

- ★ Replaces 43-year-old civil service system
- ★ Applies fully to those not in bargaining units
- ★ Collective bargain agreements may override parts for represented employees

Classification and Compensation System

- ★ Reform Act called for streamlining classification structure:
 - Substantial reduction in the number of job classifications
 - More responsive, streamlined system
 - Facilitate effective use of state personnel resources
 - Enhance career mobility and career advancement

Changes to Classification & Compensation

- ★ Consolidate 2,400 current job classes into broad occupational categories
- ★ Consolidate 83 narrow salary ranges into fewer, wider ranges
- ★ More focus on key skills and responsibilities of specific positions
- ★ Provide flexibility to adapt to changing technology and economic, workforce, citizen, and organizational needs

Salary Adjustments

- ★ Provide more options and flexibility:
 - Progression increases may be accelerated or deferred based on performance or training needs
 - Salary adjustments based on changes in duties and responsibilities
 - Lump sum recognition pay
 - Assignment pay for special skills, working conditions, recruitment & retention issues

Transition to New System

- ★ Employees transition at current salary
- ★ Continue to receive step increases to top of salary range
- ★ Job evaluation method used for future salary determinations
- ★ Plan for moving to occupational categories is under development

Recruitment & Selection Changes

- ★ May use DOP's online application/screening process or decentralized processes
- ★ Applications accepted at any time
- ★ Candidate screening based on position needs, not job class
- ★ Use of minimum qualifications optional, except when required by law

Recruitment & Selection Changes

- ★ No classification-based testing
- ★ Each candidate pool an unranked list (except for RIF)
- ★ Can choose whether and how to use promotional preference
- ★ Candidate referral decentralized
- ★ Can choose how many names to refer (no central “rule of #”)

Performance Management Tools

- ★ DOP will provide guidance, training, tools to implement performance management system
- ★ “Performance management confirmation” required before using performance as a factor in compensation, layoff, or other key human resource decisions

Performance Management Tools

- ★ Performance management training required within 6 months of becoming manager/supervisor
- ★ New Personal Development Plan (PDP) will replace old evaluation forms (EDPP and MDPP)
- ★ PDP puts more emphasis on clear performance expectations – both competencies and results

Changes to RIF

- ★ In addition to seniority, performance, competencies, and other business needs may factor into layoff decisions
- ★ Employees must meet position-specific requirements of layoff options
- ★ All RIF names, plus promotional names, will be received
- ★ May require review period for RIF appointee

Rule Development Process

- ★ Draft rules are being rolled out by subject area over six month period (January - June '04)
- ★ Informal comment period of approximately three weeks for each group of rules
- ★ Feedback form provided on website
- ★ Formal comment period will come in late June, prior to adoption in July '04

Human Resource Management System (HRMS)

Human Resource Management System (HRMS)

- ★ Current personnel/payroll system not capable of meeting reform requirements
- ★ System will be replaced with modern human resource management system (HRMS)
- ★ New system will be implemented in three phases
- ★ First phase on schedule for January '05

HRMS Implementation Schedule

- ★ January & April '05 – First phase to implement personnel and payroll functions using current rules
- ★ July '05 – implement changes to compensation based on bargaining agreements and new rules
- ★ August & October '05 – add new HR functions such as recruitment, training, performance management

Competitive Contracting

Competitive Contracting

- ★ Expanded to services “traditionally and historically provided by state employees”
- ★ Employees get 90-day notice of intent to contract work
- ★ Can offer alternatives within 60 days
- ★ May form employee business units and submit bids
- ★ Training provided by DOP and GA

Bid Process Requires

- ★ Existence of a competitive market
- ★ Measurable standards for performance
- ★ Consideration of risk associated with failed performance
- ★ Requires successful bidder to consider hiring state employees who may be displaced

Competitive Contracting Goals

- ★ Improvements result in cost savings and efficiencies
- ★ Fair and consistent rules and processes; easily understood
- ★ Competitive skills and attitudes result in efficiency, whether contracted out or not
- ★ Process aligned with state budgeting, collective bargaining and civil service reform

Employee Business Unit (EBU) Assumptions

- ★ “Employees” include line employees, supervisors and managers
- ★ State will contract with the state
- ★ Former unit/positions eliminated; replaced with EBU

Employee Business Unit (EBU) Assumptions

- ★ EBU is a unit within parent agency
- ★ Performance agreement defines relationship with parent agency
- ★ EBU membership limited to positions directly affected by contract award

Collective Bargaining

Collective Bargaining

- ★ Initial discussions started in February
- ★ Contracts become effective July '05
- ★ Governor's Office negotiates contracts for state agencies
- ★ Higher education institutions may negotiate their contracts

Collective Bargaining

- ★ One master agreement with each union with 500 members or more
- ★ Seven master agreements
- ★ Each master agreement will apply to all agencies with employees represented by that union
- ★ Legislature must approve fiscal terms of contracts

Mandatory Subjects for Bargaining

- ★ Wages
- ★ Hours
- ★ Other terms/conditions of employment
- ★ Insurance benefit dollar amount

Prohibited Subjects of Bargaining

- ★ Pensions
- ★ Inherent management policy
- ★ Financial basis for layoff
- ★ Directing and supervising staff

Permissive Subjects of Bargaining

- ★ Rules about:
 - exams
 - certifying names for vacancies
 - appointments
 - classification

Employees Excluded from Bargaining

- ★ Washington Management Service
- ★ Exempt and confidential employees
- ★ Internal auditors
- ★ Employees of:
 - Dept. of Personnel
 - Office of Financial Management
 - portions of Attorney General's Office
 - Public Employment Relations Commission

Where We Are Now

- ★ Draft civil service rules being rolled out now through June '04
- ★ Plan for moving to occupational categories is under development
- ★ Competitive contracting rules to be adopted March 17
- ★ Collective bargaining process is underway
- ★ Computer system on schedule

Training to Support Washington Works Efforts

- ★ Some training and consulting available now to help agencies plan and prepare
- ★ Developing additional preparatory training, such as change management and position-based recruitment
- ★ Completing the planning process for specific training on the new rules, tools, and procedures

Participate and Stay Informed

- ★ Washington Works web site:
<http://washingtonworks.wa.gov>
- ★ Civil Service Reform site:
<http://hr.dop.wa.gov/hrreform>
- ★ Sign up for listserv using link at top of Civil Service Reform page
- ★ Competitive Contracting site:
www.ga.wa.gov/competitivecontracting